

## EXHIBIT 353

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

----- )  
IN RE: NATIONAL ) MDL No. 2804  
PRESCRIPTION OPIATE )  
LITIGATION ) Case No.  
----- ) 1:17-MD-2804  
 )  
THIS DOCUMENT RELATES TO ) Hon. Dan A. Polster  
ALL CASES )  
----- )

HIGHLY CONFIDENTIAL

SUBJECT TO FURTHER CONFIDENTIALITY REVIEW

VIDEOTAPED DEPOSITION OF

DOUGLAS PETERSON

December 20, 2018

Chicago, Illinois

GOLKOW LITIGATION SERVICES  
877.370.3377 ph | 917.591.5672 fax  
deps@golkow.com

	Page 2	Page 4
1		1 APPEARANCES (Continued):
2		2 ON BEHALF OF CARDINAL HEALTH, INC.:
3		3 WILLIAMS & CONNOLLY LLP
		725 Twelfth Street, N.W.
4		4 Washington, DC 20005
		202-434-5686
5		5 BY: MIRANDA PETERSEN, ESQ.
		mpetersen@wc.com
		(via telephone/livestream)
6		7
7		ON BEHALF OF AMERISOURCEBERGEN CORPORATION and
8		9 AMERISOURCEBERGEN CORPORATION:
		JACKSON KELLY PLLC
9		10 150 Clay Street, Suite 500
		P.O. Box 619
10		11 Morgantown, West Virginia 26501
		304-284-4138
11		12 BY: SYLVIA WINSTON NICHOLS, ESQ.
		silvia.winston@jacksonkelly.com
12		13
13		14 ON BEHALF OF WALMART:
		15 JONES DAY
14		16 77 West Wacker Drive
		Chicago, Illinois 60601-1692
15		17 312-782-3939
		BY: JASON Z. ZHOU, ESQ.
16		jzhou@jonesday.com
17		18
18		19 ON BEHALF OF HBC COMPANY:
19		20 MARCUS & SHAPIRA LLP
20		One Oxford Centre, 35th Floor
21		Pittsburgh, Pennsylvania 15219
22		412-338-4383
23		22 BY: ZACHARY FENSTEMAKER, ESQ.
24		fenstemaker@marcus-shapira.com
		23 ELLY HELLER-TOIG, ESQ.
		ehtoig@marcus-shapira.com
		(via telephone/livestream)
	Page 3	Page 5
1	1 APPEARANCES:	1 ALSO PRESENT:
2	ON BEHALF OF THE PLAINTIFFS:	2 KATIE MAYO, Paralegal
3	LEVIN PAPANTONIO THOMAS MITCHELL	kmayo@levinlaw.com
	RAFFERTY & PROCTOR P.A.	3 SARAH MERCED, Paralegal
4	316 South Baylen Street, Suite 600	smerced@levinlaw.com
	Pensacola, Florida 32502	4 Levin Papantonio Thomas Mitchell
5	205-396-3982	Rafferty & Proctor P.A.
	BY: JEFF GADDY, ESQ.	5
6	jgaddy@levinlaw.com	6
	LAURA DUNNING, ESQ.	RODERRICK CONCEPCION, Trial Technician
7	ldunning@levinlaw.com	7
	(via livestream)	8
8		9
9		10
10	ON BEHALF OF WALGREENS BOOTS ALLIANCE, INC.	11 VIDEOTAPED BY: MICHAEL NEWELL
	aka WALGREEN CO. and THE DEPONENT:	12
11		13 REPORTED BY: CORINNE T. MARUT, C.S.R. No. 84-1968
12	BARTLT BECK LLP	14
	54 West Hubbard Street, Suite 300	15
	Chicago, Illinois 60654	16
13	312-494-4475	17
	BY: MARK LEVINE, ESQ.	18
14	Mark.Levine@BartlitBeck.com	19
	SHARON DESH, ESQ.	20
15	sharon.desh@bartlitbeck.com	21
16		22
17	ON BEHALF OF ENDO HEALTH SOLUTIONS INC. and	23
	ENDO PHARMACEUTICALS, INC.,	24
18	PAR PHARMACEUTICAL, INC., and PAR PHARMACEUTICAL	
	COMPANIES, INC. (f/k/a Par Pharmaceutical	
19	Holdings, Inc.):	
20	ARNOLD & PORTER KAYE SCHOLER LLP	
	250 West 55th Street	
21	New York, New York 10019-9710	
	212-836-8000	
22	BY: ZENO HOUSTON, ESQ.	
	zeno.houston@arnoldporter.com	
23	(via telephone/livestream)	

	Page 26		Page 28
1	BY THE WITNESS:	1	Q. Is there any approval process that
2	A. It's for all items carried in the	2	you're aware of for that person to raise or lower
3	warehouse, in the Walgreens stores.	3	that number?
4	BY MR. GADDY:	4	A. Not that I am aware of.
5	Q. But is it line by line? Is it product	5	Q. In the 2000s when Walgreens began
6	by product that is the -- why don't you explain for	6	distributing controlled substances to its own
7	me what you meant when you told me that it's for	7	stores, from your understanding, is the excessive
8	the entire store as opposed to by product?	8	order query just as you've been describing it thus
9	A. Well, the store can order any product.	9	far?
10	I mean, we distribute products for most of the	10	A. Yes.
11	items in our Walgreens store. So, any ordered item	11	Q. Are you aware of any special practices
12	it would look at regardless of what type of item	12	or procedures or approvals required regarding the
13	it is. It could be paper towels. It could be	13	excessive order query as it related to controlled
14	toilet paper, shampoo. It will look at any item we	14	substances in the 2000s?
15	have and if it is greater than the value specified,	15	A. No, I am not.
16	it will appear on the report.	16	Q. And you were the person that helped
17	Q. So, the distribution center enters in a	17	implement this program, correct?
18	quantity or a number for paper towels, correct?	18	A. That is correct.
19	A. No, they're entering a number just --	19	Q. Were you ever asked to make any changes
20	it's not item-specific. It's just a number and if	20	or amendments to the program over the life of it?
21	it's greater than that number, it will display on a	21	A. Not that I remember.
22	report. So, it's not product-specific.	22	Q. How often would that excessive query
23	Q. Okay. So, it's one number that's	23	report be run?
24	entered for all products within the store?	24	A. It's really up to the DCs to determine
	Page 27		Page 29
1	A. Yes.	1	that. It could be daily. It could be -- it's up
2	Q. One number whether it's paper towels,	2	to their decision to how many times they would or
3	whether it's toilet paper, whether it's Claritin,	3	when they would run it.
4	or whether it's OxyContin?	4	Q. From your understanding, do orders come
5	A. Yes.	5	into the distribution center from -- from stores
6	Q. And that number is chosen by an	6	pretty much on a daily basis?
7	individual at the distribution center?	7	A. Yes.
8	A. Yes. It's chosen by someone at the	8	Q. It would make sense to run the report
9	distribution center.	9	daily?
10	Q. Do you know the position of the person	10	Let me ask it this way: If your goal is
11	at the distribution center that makes that	11	to catch orders that might have been entered in
12	determination?	12	error, which I think is what you told us the
13	A. No, I do not.	13	intention of the report was, it would make sense to
14	Q. Have you heard the position of SAIL	14	run it daily so that you don't ship any product
15	coordinator, S-A-I-L coordinator?	15	that wasn't intended to be shipped?
16	A. Yes. I know SAIL coordinator.	16	A. Yes.
17	Q. Do you know whether or not the SAIL	17	Q. Are you aware of any policy or procedure
18	coordinator is the person that makes the decision	18	for what is supposed to be done if there are
19	that a certain number is going to be entered as the	19	certain orders that populate on that excessive
20	criteria?	20	order query?
21	A. I can't say for sure.	21	MR. LEVINE: Objection; lacks foundation.
22	Q. Regardless of who it is, that person has	22	BY THE WITNESS:
23	discretion to raise or lower that number, correct?	23	A. I'm not -- I'm not sure. I don't know
24	A. That is correct.	24	of any policies personally, no.

Page 158	Page 160
<p>1 going to Cardinal. That process resides in the      2 store's system as an all-or-none feature."</p> <p>3 Do you see that?</p> <p>4 A. Yes.</p> <p>5 Q. What does that mean to you?</p> <p>6 A. I'm not really sure what that means.</p> <p>7 Q. The only workaround that you were able      8 to set up as it relates to these 367 red-flagged      9 stores related to the Schedule II controlled      10 substances, correct?</p> <p>11 A. Yes.</p> <p>12 Q. You weren't able to develop any type of      13 workaround to allow the red-flagged stores to      14 continue ordering Schedules III through V, correct?</p> <p>15 A. Correct.</p> <p>16 Q. Now, at this point in time when -- that      17 was February 2013, correct?</p> <p>18 A. Yes. Yes.</p> <p>19 Q. And you recall we've looked at the      20 documents from earlier, particularly the thick      21 document with the Order to Show Cause in it, that      22 it indicated that the controlled substances at      23 Jupiter had been locked up back in September of the      24 previous year, of 2012.</p>	<p>1 correct?</p> <p>2 A. From what I read in the e-mails, yes. I      3 don't recall them from back then.</p> <p>4 Q. Okay. Do you recall as you sit here      5 today also dealing with stores that Cardinal Health      6 had red-flagged, meaning refused to distribute      7 controlled substances to, that were typically      8 serviced by the Woodland distribution center?</p> <p>9 A. I do not recall any of that, no.</p> <p>10 Q. Okay. I'm going to show you what I'm      11 going to mark as Peterson 15. P-WAG-2033.      12 (WHEREUPON, a certain document was      13 marked as Walgreens-Peterson      14 Exhibit No. 15: 4/9/13 e-mail      15 sting; WAGMDL00358578 - 00358580.)</p> <p>16 BY MR. GADDY:</p> <p>17 Q. And do you recognize this document again      18 as a -- as another e-mail chain?</p> <p>19 A. Yes.</p> <p>20 Q. And it looks like in the first e-mail,      21 that would be the last one in the chain that we'll      22 get to in a minute, it looks like it was ultimately      23 from you, correct, the first page?</p> <p>24 A. Oh, the first page? Yes, that is my</p>
Page 159	Page 161
<p>1 Do you recall that?</p> <p>2 MR. LEVINE: Objection; lacks foundation.</p> <p>3 BY THE WITNESS:</p> <p>4 A. I don't recall that, no.</p> <p>5 BY MR. GADDY:</p> <p>6 Q. Okay. Well, regardless, we saw in these      7 e-mails that we just looked at in early 2013 that      8 Walgreens was in the process of stopping to ship      9 Schedule II controlled substances from the      10 Perrysburg distribution center, correct?</p> <p>11 A. We were asked to write code to stop      12 some.</p> <p>13 Q. And you saw in the meeting notes where      14 the plan was to ship Schedule II controlled      15 substances from Perrysburg until the DEA came in      16 and shut them down. Do you recall that?</p> <p>17 A. I recall the e-mail, but I don't recall      18 back from then.</p> <p>19 Q. I understand. And what we just looked      20 at was some correspondence from Cardinal Health and      21 then some projects that you were involved with      22 where Cardinal Health had red-flagged several      23 stores, Walgreens stores, that were typically      24 serviced by the Perrysburg distribution center,</p>	<p>1 name.</p> <p>2 Q. So, this is another e-mail chain,      3 whether or not you're in the first one we are going      4 to look at, ultimately you were involved in this      5 e-mail correspondence, correct?</p> <p>6 A. Yes.</p> <p>7 Q. So, if you flip the page, do you see a,      8 starting in about halfway down the page, an e-mail      9 from Lisa Penn at Cardinal Health?</p> <p>10 A. Yes.</p> <p>11 Q. And the date of this e-mail is April 9,      12 2013, correct?</p> <p>13 A. Yes, it is.</p> <p>14 Q. And, so, this is a month or two after      15 these last e-mails we were looking at where you      16 were developing a workaround for the red-flagged      17 stores out of Perrysburg, right?</p> <p>18 A. Yes.</p> <p>19 Q. And this e-mail goes to Denny Murray and      20 also Tasha Polster?</p> <p>21 A. Yes.</p> <p>22 Q. And the subject is "Walgreens Woodland      23 Data - Red Stores."</p> <p>24 Do you see that?</p>

<p style="text-align: right;">Page 162</p> <p>1 A. Yes, I do.</p> <p>2 Q. It goes on to say, "Denny and Tasha, we 3 completed our analysis of the Woodland store data 4 and I have attached the results. We applied the 5 same analytical framework to these stores as we did 6 for the Perrysburg stores. Below are the totals in 7 terms of how the classifications were made."</p> <p>8 Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. And then below that do you that there is 11 a chart that Lisa from Cardinal Health has included 12 which identifies which classifications were 13 assigned to how many different Walgreens stores?</p> <p>14 A. Yes, I see the chart.</p> <p>15 Q. And how many stores does Lisa indicate 16 were classified as red?</p> <p>17 A. 190.</p> <p>18 Q. Okay. And what percentages -- what 19 percentage of the stores serviced by the Woodland 20 distribution center did that encapsulate?</p> <p>21 A. 12.29.</p> <p>22 Q. And from the earlier documents that 23 we've looked at, do you understand that to mean 24 that Cardinal Health is indicating that they have,</p>	<p style="text-align: right;">Page 164</p> <p>1 Do you see that?</p> <p>2 A. Yes.</p> <p>3 Q. Do you understand that to mean that 4 Cardinal Health is now refusing to ship controlled 5 substances to those 190 stores?</p> <p>6 A. I'm not really sure if that's what that 7 means or not.</p> <p>8 Q. Well, when we looked at the stores that 9 were red-flagged in Perrysburg, you understood that 10 Cardinal Health was not going to distribute them 11 controlled substances and therefore you had to come 12 up with a workaround, right?</p> <p>13 A. For Perrysburg, correct.</p> <p>14 Q. He goes on to say, "I will need you 15 gentlemen to put in place the same restrictions we 16 had for the 225 Perrysburg stores that blocked C-II 17 orders and PFL/OOS for the C-II through V narcotic 18 analgesics."</p> <p>19 Do you see that?</p> <p>20 A. Yes, I see that.</p> <p>21 Q. First, when we see narcotic analgesics, 22 C-II through V narcotic analgesics, do you 23 understand that to mean Schedule II through V 24 controlled substances?</p>
<p style="text-align: right;">Page 163</p> <p>1 on objective measures only, flagged 190 Walgreens 2 stores as red and therefore will not ship 3 controlled substances to them?</p> <p>4 MS. PETERSEN: Objection; foundation.</p> <p>5 BY THE WITNESS:</p> <p>6 A. I'm -- no, I have no recollection of 7 that. No.</p> <p>8 BY MR. GADDY:</p> <p>9 Q. Well, let's keep reading.</p> <p>10 The next e-mail looks like it comes from 11 Denny Murray. The next e-mail in the chain. If 12 you flip to the first page.</p> <p>13 A. Yes, I see that.</p> <p>14 Q. And that e-mail goes to you, John 15 Merritello and Steve Bamberg, correct?</p> <p>16 A. Yes.</p> <p>17 Q. And it looks like he's forwarded that 18 first e-mail to you that had the number of red, 19 orange, yellow and green stores on it, correct?</p> <p>20 A. Yes.</p> <p>21 Q. And he writes here, "Cardinal is now 22 restricting the distribution of C-II through V 23 narcotic analgesics for 190 stores out of Woodland 24 starting Friday, April 12."</p>	<p style="text-align: right;">Page 165</p> <p>1 A. I'd say C-II through V, yes.</p> <p>2 Q. So, do you understand that Denny -- let 3 me ask you this. This e-mail is from five and a 4 half years ago, right?</p> <p>5 A. Yes, it is.</p> <p>6 Q. As you sit here today, do you recall 7 getting this e-mail from Denny asking you to 8 develop a workaround for Woodland like you had for 9 Perrysburg?</p> <p>10 A. No, I do not remember that.</p> <p>11 Q. But do you understand from looking at 12 this document that that's what he was asking you to 13 do?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. And so then you respond in the 16 top e-mail and you say, "I just want to verify: 17 We're using same list of products" -- excuse me -- 18 "same list of items from Perrysburg." Correct?</p> <p>19 A. Yes.</p> <p>20 Q. And that would be either that 300 or 500 21 number that we saw in Dave's formula where he was 22 doing number of stores multiplied by number of 23 items?</p> <p>24 A. One of those, yes.</p>